Great Plains Communications
Telephone ● Cable Television ● Internet

September 30, 2003

Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth St., S.W.
Washington, D.C. 20554

Re: Federal-State Joint Board on Universal Service, CC Docket No. 96-45

Dear Ms. Dortch:

Ken Pfister of Great Plains Communications, Wendy Fast of Consolidated Telecom Companies, and Charlie Cooper and Sue Vanicek of TELEC Consulting Resources, Inc. spoke with Billy Jack Gregg on September 29, 2003 concerning Mr. Gregg's proposal for presumptive guidelines for eligible telecommunications carrier ("ETC") designation. The parties contacting Mr. Gregg sought more information about the proposal given that the Federal Communications Commission currently has an open proceeding addressing its universal service fund portability rules.

Mr. Gregg explained his proposal as follows: in study areas in which total federal universal service support per line per month is between \$20 and \$30, two ETCs could be designated. In study areas in which universal service support is greater than \$30 per line per month, only one ETC would be designated, while in study areas receiving less than \$20 per line per month, there would be no limit on the number of ETCs that could be designated.

Mr. Gregg explained that he thought this proposal is consistent with Section 214(e) of the Telecommunications Act of 1996, which specifies that more than one ETC should be designated in non-rural areas, but allows for the designation of only one ETC in a rural telephone company's study area. He indicated that he chose the amounts of \$20 and \$30 per line per month because \$20 is the approximate national average residential basic local service rate per month, and \$30 is about 135 percent of the national average rate, which is about the maximum affordable rate as determined following the review of the Tenth Circuit Court of Appeals.

Mr. Gregg indicated that the purpose of his proposal is to limit subsidized competition in study areas that receive universal service support of greater than \$30 per line per month. He noted that some might object to this proposal in that customers in such areas might have the incumbent local exchange carrier ("ILEC") as their only choice for basic local exchange service, and the ILEC might provide inadequate service. However, Mr. Gregg explained that his proposal does not preclude competitors from entering a market, and that states could also decertify an ILEC that was not providing adequate service.

Sincerely,

Ken Pfister

Ken Pfister
VP – Strategic Planning